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S E C R E T SECTION 01 OF 04 TEGUCIGALPA 002347

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STATE FOR WHA, WHA/PPC, WHA/USOAS, AND WHA/CEN  
NSC FOR DAN FISK

E.O. 12958: DECL: 11/18/2035

TAGS: PGOV PREL KDEM ECON KCRM PINR HO

SUBJECT: 10 DAYS TO HONDURAN ELECTIONS A FAIRLY CONFIDENT  
LOBO BARELY LEADS ZELAYA; COULD BE CLOSEST RACE EVER

REF: TEGUCIGALPA 2346 AND PREVIOUS

Classified By: Ambassador Charles Ford;  
Reasons 1.4 (b) and (d).

1. (C) Summary. Ten days before the November 27 general elections, National Party presidential candidate Porfirio "Pepe" Lobo has a slight lead over Liberal Party presidential candidate Mel Zelaya in all non-Liberal Party polls, leading by 3 percent in probably the most accurate poll. Ambassador has met with both candidates to emphasize the USG's interest in free and fair elections, including the importance of national observers. Mudslinging is fierce, with both major parties alleging planned or ongoing fraud by their opponent. A regulation permitting a domestic election observation effort, key to transparency, was finally approved November 16 after intensive Embassy efforts. While both candidates would continue the strong bilateral relationship, Lobo would likely lead a better organized and effective government than Zelaya, if their administrations would be anything like their campaigns. With the campaigns officially ending November 21, the Embassy judges the November 27 election as too close to call at this point. With no Honduran presidential victory ever having been by less than 6 percent, the Honduran electorate is not prepared for a squeaker. Post fears that the likelihood of the losing party alleging fraud is very high, particularly if the National Party wins. End Summary.

Lobo Beating Zelaya - But Not By Much  
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2. (SBU) Tracking polls conducted nationally by Ingenieria Gerencial show National Party candidate and President of Congress Porfirio "Pepe" Lobo edging Liberal Party candidate Manuel "Mel" Zelaya. The 3 percent lead is barely above margin of error, approximately 2.5 percent, with no significant anomalies from historic party tendencies in regional areas. Support for the two parties is close, with the Liberal Party holding a 1 percent lead over the National Party. An October 22-26 poll by CID Gallup has Lobo leading Zelaya by eight percent, with a margin of error of less than 3 percent. A November 1-10 poll by Le Vote Harris has Lobo leading Zelaya by 4 percent, with a margin of error of less than 3 percent. Lobo told the Ambassador November 16 that there is a "hidden vote" that will support him but is afraid to tell pollsters for fear of the gangs, who Lobo attacks daily in his campaign speeches. A key Liberal Party consultant told PolChief November 17 that their internal polls have Zelaya leading Lobo by 2-3 percent, however this is not reflected in any other polls.

3. (SBU) The congressional vote is anyone's guess, with some believing that voters will split their vote and elect the best candidates from across the five party spectrum. However, even with that happening to some extent, a likely straight ticket voting among National and Liberal voters will give their congressional candidates a high enough floor to squeeze out most candidates from the three small parties (see septel on the proportional system used for congressional elections).

4. (SBU) While the two parties poll almost equally in most polls, the conventional wisdom is that there are more Liberals than Nationalists. However, Lobo consistently receives a higher percentage of National support than Zelaya's percentage of Liberal support, reflecting a more loyal and disciplined National Party. In addition, Lobo leads slightly among independents. In most polls Lobo is stronger among the young, and Zelaya stronger among the old, but only by small margins. Lobo leads Zelaya among women, and Zelaya leads among men. However, given the fact that there are more potential female voters (due in large part to the higher number of men who have immigrated to the U.S.) this helps Lobo overall. There is no noticeable difference in preferences among other groups (Catholic/Protestant, rich/poor, etc.) between the two parties.

5. (SBU) As of a November 3 poll from Ingenieria Gerencial, voters say that the main problems confronting the country are crime (36 percent), the cost of living (34 percent when including the high cost of gasoline), followed closely by unemployment (25 percent), with corruption a distant fourth

(6 percent). When asked which candidate voters prefer on these issues, Lobo enjoys a 7 percent advantage on crime and a 4 percent advantage on jobs, and Zelaya ties Lobo on the cost of living. President Ricardo Maduro's favorability ratings are still bad, with a majority rating his work as bad/very bad.

16. (SBU) National Party candidate for Tegucigalpa Mayor Ricardo Alvarez is easily beating his Liberal Party opponent, Enrique "Kike" Ortez, and now leads 48 to 30 percent according to an October 26 Ingenieria Gerencial poll. The Nationalist candidate in San Pedro Sula, Arturo "Tuky" Bendana was tied with his Liberal Party opponent Rafael Padilla Sunceri in the same poll, with both at 34 percent. Alvarez told PolChief November 16 that he feels confident that he will win with a large margin, and also claimed that there is a "hidden vote" for Lobo in Tegucigalpa, recounting how when he drives the city in truck with loudspeaker he is greeted by residents with a raised right clenched fist, Lobo's symbol.

#### Both Parties Paranoid

17. (C) Senior National Party leaders, including Lobo, President Maduro, VP candidate Mario Canahuati, and a host of others, including ministers and political operatives (such as political operative David Matamoros), continue to emphasize in meetings with USG officials their alleged suspicion of ties between Zelaya and the Liberals with the Sandinistas in Nicaragua and/or Chavez in Venezuela. Liberal Party President Patricia Rodas is usually a key target of these attacks. EmbOffs have been treated to various versions of this message, including a printout of a power point presentation, that rehash the same allegations with no proof.

18. (C) Lobo told the AMB November 16 that the Nationals are very worried about possible fraud, citing specifically the voting list, the transmission of preliminary presidential results election night, and the Supreme Electoral Tribunal's (TSE's) comportment. Post notes that USAID's election consultant has told EmbOffs that the TSE's behavior is night and day from that prior to the primaries, with delay, disorganization, and politization.

19. (C) Senior Liberal Party leaders, meanwhile, have been increasingly vocal about alleged National Party schemes to steal the election. One supposed scheme is that the National Party will be paying Liberal Party voters 500-1,000 lempiras (USD 26-53) to not vote, by having them leave their ID with National Party operatives during election day. Zelaya joked to the AMB in a November 9 meeting that many people have two IDs and will try to get the money and still vote on their other ID. The Liberals have not been able to provide any proof to substantiate these allegations.

#### Domestic Election Observer Regulation Finally Approved

10. (C) After several weeks of bureaucratic haggling and an intense week of political gamesmanship, the TSE finally approved late November 16 the regulations authorizing a domestic election observation effort by civil society groups, led by the umbrella NGO FOPRIDEH backed by USAID. EmbOffs, including AMB, DCM, AID Director, PolChief, and AIDOff, have repeatedly advocated for a broad authorization for domestic observers that would not limit their numbers or scope of authority. In repeated meetings and phone calls with the TSE magistrates and senior officials of their three respective parties (National, Liberal, and Christian Democrat) EmbOffs made clear that the USG expected the TSE to authorize a domestic election observation and that the USG would be significantly disappointed with any effort to quash one. Most of the Embassy's effort was focused on the National Party, who along with their Christian Democrat ally on the TSE, were both delaying the regulation and suggesting

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multiple significant restrictions.

11. (C) The Ambassador specifically emphasized the importance of domestic election observers as part of a transparent election in separate meetings November 9 with the two leading candidates, their VP candidates, and campaign staff. Following the Ambassador's intervention in a breakfast with President Maduro November 15 and a one-on-one meeting with Lobo November 16, the National Party seemed to finally get the message, resulting in the TSE approval of the regulation the 16th. Now, implementation of the regulation is key, and EmbOffs, as well as the G-16 representing international donors, will be vigilant to make sure the regulations are interpreted and enforced in such a way as to facilitate, not hinder, the domestic election observation effort.

12. (SBU) Unfortunately the OAS election observation effort has yet to get off the ground, with the Embassy forcing the

OAS to accelerate their preparations as the Embassy seeks to finalize plans for the approximately 50 person Embassy volunteer effort. The OAS Chief of Mission, Moises Benamor, arrives in Tegucigalpa November 19.

#### Campaign Themes: Security and Work vs. Citizen Power

13. (SBU) Lobo has campaign with a consistent message, work and security, with an emphasis on his tough on crime anti-gang stance. Lobo clearly hopes that Oscar Alvarez's resignation as Minister of Public Security to actively campaign with Lobo and criticize Zelaya will boost Lobo. Zelaya's has not been as focused, but has emphasized "citizen power" and tried hard to link Lobo to the unpopular Maduro Administration, campaigning to throw out the Nationals. Neither campaign has paid great attention to their specific "government plans", as the Liberals publicly announced their plan November 7 (in a small conference room with a Power Point presentation), and Lobo November 17 (in a large convention room with a flashy stage-managed series of speeches reminiscent of a U.S. political convention). Both campaigns will hold large closing rallies November 21 (the electoral law sets that date as the end of the campaign season).

#### What Would a Lobo Victory Mean for the U.S.?

14. (S) A Lobo victory would mean a large degree of policy continuation from the Maduro Administration. Lobo, a pragmatist who has swung from attending school in Moscow (he also attended school in Miami) to campaigning as a conservative over the course of his career, would likely continue the Maduro Administration's support of USG foreign policy positions. He is proud of his accomplishments as President of Congress and sees himself as a can-do guy who does not want to let issues fester and get in the way of a strong bilateral relationship. As evidence of this, PolChief recently met with Lobo at his request to brief him on the Embassy's cooperation with the GOH on reforming the mismanaged and corrupt Immigration office. Lobo made clear he understood the issue was of national security importance for the U.S. and pledged to pass reform legislation, if necessary, in a lame duck session of Congress in December to help resolve the problem. His administration would likely be better organized than a Liberal one, mimicking their respective campaigns. Whether Lobo would help the U.S. when it clashed with his direct interests is unclear: he was not helpful to the Embassy during the run-up to the selection of National Party lawyer Ovidio Navarro as Attorney General.

#### What Would a Zelaya Victory Mean for the U.S.?

15. (S) A Zelaya victory would mean wholesale personnel change in the GOH, with Nationals being replaced by Liberals, and would likely mean some important policy changes. However, it would not likely result in any changes that significantly negatively impact U.S. interests. While Rodas and some other prominent Liberals are leftist, they go out of their way to make clear they value the bilateral relationship and laugh off allegations of collusion with the Sandinistas or Chavez. While Zelaya has a good reputation from his days as a minister, his campaign has been disorganized and often ineffective, which leads Post to fear his government would be similar. Zelaya seems to lack a sense of what the key issues are to the bilateral relationship that Lobo and his former Ambassador to the U.S. VP candidate Canahuati seem to instinctively grasp. Zelaya's campaign manager, former Ambassador to the U.S. Hugo Noe Pino, does seem to grasp those issues, but Noe Pino competes with Rodas for Zelaya's attention. Zelaya has not been in a position of government authority recently to be tested if he can deliver on issues of greatest concern to the USG that may be politically painful.

#### Still Too Close to Call

16. (C) Comment: The presidential race is still too close to call, and while Lobo would appear to have the advantage in the polls and organizationally, a recent surge by Zelaya and the Liberals overall advantage in numbers of traditional supporters makes the race a toss-up. For these reasons turnout is key, and the election observation efforts, both OAS and domestic, are even more crucial. With no Honduran presidential race ever having been won by a margin smaller than 6 percent, the Honduran electorate is not really prepared for a squeaker. Post fears that the likelihood of the losing party alleging fraud is very high, particularly if the National Party wins. Ambassador plans to make clear to Zelaya in a meeting the evening of November 18 that the USG expects the Liberals not to charge fraud after the election without having the evidence to back up such claims. Post will reevaluate the race after the campaign officially ends

November 21 and see if the last big push by both candidates  
has swung the polls at all. End Comment.  
Ford